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REC'D IN
REGULATORY AUTHORITY

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OFFICE OF THE
EXECUTIVE SECRETARY

April 17, 2002

VIA HAND DELIVERY

Mr. K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

**Re: *Tariff to Provide Rate Reductions to Offset a Portion of the 2002 Tax Credit,
TRA Docket No. 02-00142***

Dear Mr. Waddell:

Enclosed for filing in the above-referenced matter are the original and 13 copies of Tennessee Telephone Company's Responses to the Tennessee Regulatory Authority's April 10, 2002 Request for Information. Also enclosed is an additional copy of the Responses, which I would appreciate your stamping as "filed," and returning to me by way of our courier.

Should you have any questions with respect to this filing, please do not hesitate to contact me at the telephone number listed above.

Very truly yours,



Ross I. Booher

RIB/gci

Enclosures

cc: Mr. Bruce H. Mottern (w/ enclosure)

TENNESSEE REGULATORY AUTHORITY
TARIFF TO PROVIDE RATE REDUCTIONS TO
OFFSET A PORTION OF THE 2002 TAX CREDIT
TENNESSEE TELEPHONE COMPANY

DOCKET NO. 02-00142

1. Does Tennessee Telephone currently receive high-cost support for the Federal Universal Service Fund? If so, please provide responses to the remaining requests.

Response:

Yes, the Company receives High Cost Loop Support.

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2. Provide the total amount of Universal Service high-cost support received for calendar year 2000 and 2001.

Response:

High Cost Loop Support:

- Year 2000 - \$1,604,190
- Year 2001 - \$1,796,517

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3. Provide the company's cost per line as calculated for Universal Service high-cost support purposes for 2000 and 2001.

Response:

Cost per line:

- Year 2000 = \$332.02
- Year 2001 = \$337.09

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4. Provide the USOA Account Number(s) in which Universal Service high-cost support payments are booked.

Response:

Account 5082110 – Interstate Access USF.

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5. Provide the company's current cost per line as calculated for Universal Service high-cost support purposes.

Response:

Current cost per line = \$335.10

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6. What year's costs are used to compute the company's current cost per line reported in item no. 5, above?

Response:

12 months ending 12-31-2000.

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7. Approximately when (month and year) will actual costs for 2002 be reported (or trued up) to NECA for use by the FCC in computing the company's cost per line and the national average cost per line for Universal Service high-cost support purposes?

Response:

The costs for the 12 months ending 12-31-2002 are due to NECA by 7-31-2003.

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8. In what year will the company receive Universal Service high-cost support payments based on the 2002 costs reported in item no. 7, above?

Response:

The USF High Cost Loop Support is effective 1-1-2004.

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9. What year's costs were used to determine the company's Universal Service high-cost support payments for 2001?

Response:

A 1st quarterly optional filing was made. Therefore, the monthly payments starting on 1-1-2001 are based on 12 months ending 3-31-2000. A 2nd quarterly optional filing as made. Therefore, the monthly payments starting on 4-1-2001 are based on 12 months ending 6-30-2000.

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10. What year's costs are being used to determine the company's Universal Service high-cost support payments for 2002?

Response:

The 12 months ending 12-31-2000 because the Company did not qualify to file optional quarterly filings.

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11. What year's cost will be used to determine the company's Universal Service high-cost support payments for 2003?

Response:

The annual, mandatory filing is based on 12-31-2001 data and is used to determine USF HCL revenue that is received starting 1-1-2003. The due date to file this with NECA is 7-31-2002. Optional quarterly filings can be made if the quarterly filing creates more USF HCL revenue than the mandatory annual filing or a previously submitted quarterly filing for that year. The first optional quarterly filing is based on 3-31-2002 data and is used to determine USF HCL revenue that is received starting 1-1-2003 (essentially it supercedes the annual filing). The second optional quarterly filing is based on 6-30-2002 data and is used to determine USF HCL revenue that is received starting 4-1-2003. The third and final optional quarterly filing is based on 9-30-2002 data and is used to determine USF HCL revenue that is received starting 7-1-2003.

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12. What year's costs will be used to determine the company's Universal Service high-cost support payments for 2004?

Response:

The annual, mandatory filing is based on 12-31-2002 data and is used to determine USF HCL revenue that is received starting 1-1-2004. Optional, quarterly filings can be made if the quarterly filing creates more USF HCL revenue than the mandatory, annual filing or a previously submitted quarterly filing for that year. The first optional quarterly filing is based on 3-31-2003 data and is used to determine USF HCL revenue that is received starting 1-1-2004 (essentially it supercedes the annual filing). The second optional quarterly filing is based on 6-30-2003 data and is used to determine USF HCL revenue that is received starting 4-1-2004. The third and final optional quarterly filing is based on 9-30-2003 data and is used to determine USF HCL revenue that is received starting 7-1-2004.